

# **EXHIBIT JJ**

## **Cisco v. Huawei: Day One Media Coverage**

### **Reuters**

#### **Cisco lawsuit accuses Huawei of copying software.**

**23 January 2003 08:40**

SAN JOSE, Calif., Jan 23 (Reuters) - **Cisco Systems Inc.** (CSCO.O), the No. 1 maker of gear that directs Internet traffic, said on Thursday it filed a lawsuit against Huawei Technologies Co. Ltd., alleging China's largest telecom equipment maker unlawfully copied its operating software.

Cisco, based in San Jose, California, said it filed the lawsuit late Wednesday in U.S. District Court in Marshall, Texas, alleging Huawei unlawfully copied its intellectual property, including software source code. It also alleged Huawei copied its documents and other copyrighted materials, and infringed several company patents.

Analysts and investors have speculated for some time whether Cisco would file such a lawsuit because Huawei's products are described as so similar to Cisco's. Called a "Cisco clone," Huawei's strength in Asia and desire to push into developed markets scares Cisco, analysts have said.

Cisco said it also served a cease and desist letter to Spot Distribution in the United Kingdom. Spot is distributing Huawei products that Cisco claims copy its intellectual property.

Cisco is seeking a preliminary and permanent injunction prohibiting Huawei from selling or distributing versions of its Quidway routers and servers, as well as unspecified financial damages.

### **Reuters (Update)**

#### **Cisco Accuses China's Huawei of Copying Software**

**By Ben Klayman**

CHICAGO (Reuters) - Cisco Systems Inc. (NasdaqNM:CSCO - news), the No. 1 maker of gear that directs Internet traffic, said on Thursday it filed a lawsuit against Huawei Technologies Co. Ltd., alleging China's largest telecom equipment maker unlawfully copied its operating software.

Cisco, based in San Jose, California, said it filed the lawsuit late Wednesday in U.S. District Court in Marshall, Texas, alleging Huawei unlawfully copied its intellectual

property, including source code, or software blueprints. It also alleged Huawei copied its documents and other copyrighted materials, and infringed several company patents.

"All along Huawei has respected intellectual property rights," Huawei spokeswoman Wendy Wu told Reuters. "As Cisco has filed a lawsuit, now we are working with legal advisers to resolve the matter." She declined to comment on Cisco's specific charges.

Analysts and investors have wondered for some time whether Cisco might sue, because they describe Huawei's products as similar to Cisco's. Analysts, who have called Huawei a "Cisco clone," have said Huawei's strength in Asia and desire to push into developed markets scares Cisco.

Cisco said it also served a cease and desist letter to Spot Distribution in the United Kingdom. Spot is distributing Huawei products that Cisco claims copy its intellectual property.

Cisco is seeking a preliminary and permanent injunction prohibiting Huawei from selling or distributing versions of its Quidway routers and servers, as well as unspecified financial damages.

"We value strong competition, but copying isn't competition," Mark Chandler, Cisco vice president and general counsel, told Reuters. "We have a responsibility to protect our product and materials from unlawful copying and to make sure there's a level playing field for fair competition."

Before filing the lawsuit, Cisco made numerous attempts for more than a month to resolve the dispute after customers began questioning Cisco about the similarity of the companies' products and manuals, he said in a telephone interview.

When asked earlier this month how Cisco would deal with Huawei, Chief Executive John Chambers said his company would rely on the Chinese government and the World Trade Organization ([news](#) - [web sites](#)) to protect its rights.

#### **HOPEFUL CHINESE GOVERNMENT WILL HELP**

Cisco has discussed the issue with China's government, and found officials respectful of its concerns, Chandler said. "We have every reason to anticipate that the Chinese government is going to be supportive of international standards related to intellectual property protection," he said.

While Huawei and other low-cost competitors do not pose a serious threat to Cisco at this point, they will inevitably squeeze Cisco's profit margins in its meat-and-potatoes businesses of switches and routers, analysts have said. Those products account for 80 percent of Cisco's sales and profits.

A router is a machine that connects two computer networks for the transmission of data and information, while a switch simply directs traffic on a network.

Founded in 1988 by a former officer in the People's Liberation Army, Huawei has said it expects 2002 sales to rise almost 25 percent to \$3 billion, thanks partly to growing exports outside of Asia. It had sales in 2001 of \$2.41 billion, on which it earned \$578 million.

Huawei, which makes all the same gear, worries Cisco overseas, especially in Asia, analysts have said. And it wants to build its presence in the United States.

While most of Huawei's sales are in the telecom sector, it wants to boost its corporate business, where Cisco is king, and its strategy is to sell its switches as much as 50 percent less than Cisco's, analysts have said.

Cisco said it filed the lawsuit in eastern Texas because Huawei's U.S. operations are based in the Dallas area. Huawei subsidiaries Huawei America Inc. and Futurewei Technologies Inc. also were named.

#### **Associated Press**

##### **Cisco sues China-based company in patent, copyright dispute**

SAN JOSE, Calif. (AP) Cisco Systems Inc. on Thursday sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The lawsuit, filed at the U.S. District Court in Marshall, Texas, claims Huawei Technologies Co. Ltd and two U.S.-based subsidiaries copied Cisco's operating system source code, technical documentation and an interface. Cisco also claims at least five patents were infringed.

"Cisco does not take any legal action lightly," said Mark Chandler, Cisco's general counsel. "However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues."

Phone messages left at Huawei's U.S. offices in Plano, Texas were not immediately returned. A security guard who answered the phone after hours at Huawei's headquarters in Shenzhen, China, said no one was available to comment.

The infringement, according to the lawsuit, ranged from the verbatim copying of Cisco technical documentation to programming code, including sections that were used by Cisco for testing but are nonfunctional in the final products.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents. The San Jose-based company also is seeking unspecified damages.

Chandler also said Cisco has held discussions with Chinese officials about the claims.

"We believe the Chinese government is as concerned as we are," he said. "We found them to be very respectful."

Shares of Cisco rose 22 cents to \$14.18 in morning trading on the Nasdaq Stock Market.

## **Bloomberg News**

**01/23 16:24**

### **Cisco Sues China's Huawei for Patent Infringement**

By Scott Lanman

San Jose, California, Jan. 23 (Bloomberg) -- Cisco Systems Inc., the world's largest maker of computer-networking equipment, said it sued Huawei Technologies Co., accusing its Chinese rival of copying software and infringing patents.

Cisco is seeking unspecified damages and a court order to stop Huawei from selling data-traffic switches and routers that allegedly infringe Cisco's intellectual property. Fu Jun, a Huawei spokesman in China, said the company "always protects our intellectual-property rights and respects others." Huawei may issue more comments on the suit tomorrow, he said.

Huawei, whose products are cheaper than Cisco's, is one of the biggest potential threats to Cisco and is hindering its efforts to expand in China, analysts said. Last year, Huawei opened a U.S. unit, Plano, Texas-based FutureWei Technologies Inc. The company, like Cisco, offers a range of routers and Internet- access gear.

"Many people believe the companies in China and developing countries slavishly copy and, I would say, pirate products," said Robert Krupka, head of the intellectual-property litigation unit at Kirkland & Ellis in Chicago. "In China there are limited abilities to stop it because the laws are undeveloped and the court systems are undeveloped," said Krupka, who isn't involved in the case.

Cisco filed the lawsuit last night in federal court in Marshall, Texas, after reaching an impasse in negotiations over the past month, Cisco General Counsel Mark Chandler said in an interview.

A woman who answered the telephone at FutureWei told a reporter to contact Huawei. Cisco named Huawei, FutureWei and Huawei America Inc. in the complaint.

## Cisco Manuals

The filing, posted on Cisco's Web site, contains examples that Cisco said shows that Huawei plagiarized instructions verbatim from Cisco user manuals.

Closely held Huawei, based near Hong Kong in the city of Shenzhen, had 2001 net income of \$578 million on \$2.41 billion in revenue, according to its Internet site. San Jose, California- based Cisco earned \$1.89 billion on sales of \$18.9 billion in its fiscal year ended in July.

Huawei's customers include the largest telephone companies in China, such as China Telecommunications Group Corp. Former People's Liberation Army officer Ren Zhengfei, one of the country's wealthiest individuals, heads Huawei.

Chandler declined to comment on why the suit was filed in Marshall, Texas, which is about 160 miles from Plano, a suburb of Dallas.

Other countries will enforce a U.S. court ruling, and Cisco expects the Chinese government to be "responsive" to international copyright-enforcement obligations, Chandler said.

Cisco shares rose 63 cents, or 4.5 percent, to \$14.59 at 4 p.m. New York time in Nasdaq Stock Market trading. They have fallen 23 percent in the past year.

## Dow Jones News Service

### DJ Cisco/Patent Suit -2: Relates To Huawei's Quidway Routers

SAN JOSE (Dow Jones)--Cisco Systems Inc. (CSCO) filed a lawsuit against Huawei Technologies Co. (Q.HW1) alleging copyright infringement of Cisco's IOS software, source codes, technical documentation and various patents.

In a press release Thursday, Cisco said the lawsuit, filed in the U.S. District Court for the Eastern District of Texas, seeks to prohibit Huawei's continued use of the technology and unspecified damages.

Specifically, Cisco is claiming that Huawei copied portions of Cisco's IOS source code and command line interface and included them in Huawei's operating system for its Quidway routers and switches. Cisco also alleged that the Quidway routers violated at least five patents and their user manuals include whole portions of Cisco's text.

Representatives for Huawei couldn't immediately be reached for comment.

Cisco's shares recently traded at \$14.28, up 32 cents, or 2.3%, on Nasdaq market composite volume of 31.3 million shares. Average daily volume is 78.7 million shares.

**CNET News.com**  
**January 23, 2003**

By Margaret Kane

Cisco Systems has filed a lawsuit against Huawei Technologies, claiming the Chinese telecommunications equipment maker infringed on its patents and illegally copied source code.

Cisco Systems has filed a lawsuit against Huawei Technologies, claiming the Chinese telecommunications equipment maker infringed on its patents and illegally copied source code.

Huawei, based in Shenzhen, China, has a wide reach in Asia, and recently entered the U.S. market, challenging Cisco on the pricing front.

Cisco's suit, filed in U.S. District Court for the Eastern District of Texas, alleges that Huawei violated at least five Cisco patents and copied Cisco's Internetwork Operating System (IOS) source code, using it in the operating system for its Quidway routers and switches. Huawei's system contains text strings, file names and bugs identical to Cisco's source code, the company claims.

Cisco also alleges that Huawei copied its technical documents, including user manuals, its command line interface and its screen displays.

Representatives of Huawei and its Futurewei Technologies subsidiary could not be reached for comment.

"As a result of extensive copying of the Cisco (command line interface), defendants can promote their Quidway routers, switches and products that use (Huawei's interface) by convincing Cisco customers that they will not have to learn a new command line interface if they purchase the defendants' products," the complaint states.

Cisco is asking the court for preliminary and permanent injunctions to prohibit Huawei from using or selling the products in question. Cisco is seeking damages as well. Cisco said it also served a cease-and-desist letter to Spot Distribution in the United Kingdom. Spot is distributing Huawei products that Cisco claims copy its intellectual property.

**The Wall Street Journal**

**January 23, 2003 11:11 a.m.**  
**Cisco Sues Chinese Company in Patent, Copyright Dispute**  
**By SCOTT THURM**  
**Staff Reporter of THE WALL STREET JOURNAL**

**Cisco Systems Inc.** said it had filed a lawsuit against China's Huawei Technologies Co. for allegedly copying Cisco's software and violating Cisco's patents.

The suit, filed Wednesday night in U.S. District Court in Texas, is the latest clash involving charges by Western companies that their intellectual property rights are being violated in China.

The San Jose, Calif., maker of computer-networking equipment charged that Huawei copied portions of Cisco's Internet Operating System software that directs traffic around corporate computer networks and the Internet. The copying was so "slavish," Cisco said in its complaint, that Huawei's software contains the same "bugs" or glitches as Cisco's. Cisco also said Huawei had copied portions of technical manuals and the commands used to operate its gear. Cisco is seeking injunctions to block the sales of Huawei gear, as well as monetary damages.

Mark Chandler, Cisco's general counsel, said the suit marked the first time Cisco had taken legal action to protect its intellectual property. He said Cisco had notified Huawei of the apparent copying last year, and the companies had engaged in more than a month of unsuccessful talks to resolve the dispute.

Huawei officials in China and Texas didn't immediately respond to requests for comment. In the past, Huawei officials have denied copying technology, and touted their own extensive research and development efforts.

Founded in 1988 as a maker of telecommunications equipment, Huawei branched into computer-networking gear in recent years and opened offices in the U.S. It is the largest and best-known of Asian-based competitors that are challenging Cisco's dominance in the region, by offering similar gear at much lower prices. Huawei reported sales last year of \$2.7 billion, down 12% from a year earlier.

Investors are closely monitoring Huawei's threat to Cisco, and concerns that Huawei may have misappropriated Cisco's intellectual property. Investors and analysts have speculated whether Cisco would take legal action, for fear of offending the Chinese government.

Asked about the issue at an investor conference earlier this month, Cisco Chief Executive John Chambers downplayed the concerns, saying, "I don't see that as a big issue for Cisco." Mr. Chambers said he was "comfortable" that the Chinese government "will do the right thing" and enforce Western intellectual-property rights.

Mr. Chandler said Cisco has found Chinese officials "very respectful of the concerns we've raised," and doesn't expect any impact on sales to the region.

Indeed, China may be making good on long-promised changes to improve protection of intellectual-property rights. Earlier this week, Danish toymaker Lego said the Beijing



High People's Court had backed its claim that a Chinese manufacturer had unlawfully copied characteristics of its plastic building blocks.

### **The San Jose Mercury News Online**

**Posted on Thu, Jan. 23, 2003**

#### **Cisco sues China-based company in patent, copyright dispute**

**SAN JOSE, Calif. (AP)** - Cisco Systems Inc. on Thursday sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The lawsuit, filed in U.S. District Court in Marshall, Texas, claims Huawei Technologies Co. Ltd and two U.S.-based subsidiaries copied Cisco's operating system source code, technical documentation and an interface. Cisco also claims at least five patents were infringed.

``Cisco does not take any legal action lightly," said Mark Chandler, Cisco's general counsel. ``However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues."

Phone messages left at Huawei's U.S. offices in Plano, Texas, were not immediately returned. A security guard who answered the phone after hours at Huawei's headquarters in Shenzhen, China, said no one was available to comment.

The infringement, according to the lawsuit, ranged from the verbatim copying of Cisco technical documentation to programming code, including sections that were used by Cisco for testing but are nonfunctional in the final products.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents. The San Jose-based company also is seeking unspecified damages.

Chandler also said Cisco has held discussions with Chinese officials about the claims.

``We believe the Chinese government is as concerned as we are," he said. ``We found them to be very respectful."

Shares of Cisco rose 22 cents to \$14.18 in morning trading on the Nasdaq Stock Market.

### **Forbes.com**

#### **No More Mr. Nice Cisco**

Quentin Hardy, 01.23.03, 5:13 PM ET

PHOENIX - After years of pretending they loved the competition of cheap knockoff routers from China, **Cisco Systems** filed suit today against Chinese telecom equipment giant **Huawei Technologies**, charging patent and copyright violations which, if proven, could cripple the Chinese company's recent bold expansion.

**More on Cisco Systems**  
Tear Sheet

400 Best Big Cos

It is the first-ever intellectual property lawsuit for Cisco (nasdaq: [CSCO](#) - [news](#) - [people](#) ), and one senior Cisco officials had tried to avoid by consulting with both Huawei and Chinese government officials. The suit was filed in the U.S. District Court for the Eastern District of Texas, where Huawei has two subsidiaries, Huawei America and Future Wei. The suit also seeks to shut

down sales of Huawei routers by **Spot Distribution**, a U.K. company.

The suit cites more copyright than patent violations. Copyright violations are internationally enforceable, and could damage Huawei if Cisco prevails.

A representative of Future Wei had no comment on the suit, and referred press inquiries to Huawei's headquarters, which was closed during the U.S. day.

Huawei, with \$2.4 billion in sales both within China and overseas, established the two U.S. subsidiaries last year, and Huawei's U.S. presence likely contributed to Cisco's move. Future Wei's Web site includes direct comparisons with Cisco gear, plus prices at 32% off list. There are already plenty of used Cisco routers on **eBay** (nasdaq: [EBAY](#) - [news](#) - [people](#) ), hurting Cisco's prices.

Huawei has sold Cisco-type equipment in such noncritical markets as East Africa and West Asia for several years, though lately it has also scored telecom wins in Spain and Germany. Huawei, whose founders have backgrounds in China's military, also was charged with wiring Iraqi defense installations with fiber-optic cable a few years ago.

Mark Chandler, Cisco's general counsel, said the main reason for the suit was the discovery that Huawei was using the same source code for the software powering its routers. The code, called IOS (internetwork operating system), is the crown jewel of Cisco's technology. "Over the past year we had more and more of a case," he says, citing such things as the identical command lines and user manuals between Cisco and Huawei products. "But several months ago we realized the source code was copied--that's when we began direct negotiation." Huawei officials were receptive to negotiations, he said, but never changed their practices.

Chandler says Cisco hopes for what he termed "a recognition by Huawei that its conduct is unacceptable," ending the need for the suit.

Don't expect miracles. For several years **Microsoft** (nasdaq: [MSFT](#) - [news](#) - [people](#) ) has complained of rampant piracy in China, with little success. Chandler says Cisco's stakes were much higher.

"What we're dealing with isn't someone pressing out CD's. It goes to the fundamental product," he says. "It's an infringement that goes beyond software to the actual architecture of the product."

The lawsuit does indicate a nearly comical level of piracy, including identical (and meaningless) bugs between the source codes. An appendix compares pages from the two companies' user manuals: Huawei's only difference is a slightly more frequent use of decorative stars on the paper.

The penalties Cisco seeks are no joke, however. Besides stopping production of Huawei routers, called Quidway, Cisco is seeking attorney costs, damages, impoundment and destruction of all Huawei routers and manuals, and damages equivalent to profits Huawei made on the gear.

### **CNN Money**

**Cisco sues Chinese telecom firm No. 1 network equipment firm alleges Huawei Tech. infringed on operating software patents.  
January 23, 2003: 11:07 AM EST**

CHICAGO (Reuters) - Cisco Systems Inc., the No. 1 maker of gear that directs Internet traffic, said Thursday it filed a lawsuit against Huawei Technologies Co. Ltd., alleging China's largest telecom equipment maker unlawfully copied its operating software.

Cisco, based in San Jose, California, said it filed the lawsuit late Wednesday in U.S. District Court in Marshall, Texas, alleging Huawei unlawfully copied its intellectual property, including source code, or software blueprints. It also alleged Huawei copied its documents and other copyrighted materials, and infringed several company patents.

"All along Huawei has respected intellectual property rights," Huawei spokeswoman Wendy Wu told Reuters. "As Cisco has filed a lawsuit, now we are working with legal advisers to resolve the matter." She declined to comment on Cisco's specific charges.

Analysts and investors have wondered for some time whether Cisco might sue, because they describe Huawei's products as similar to Cisco's. Analysts, who have called Huawei a "Cisco clone," have said Huawei's strength in Asia and desire to push into developed markets scares Cisco.

Cisco said it also served a cease and desist letter to Spot Distribution in the United Kingdom. Spot is distributing Huawei products that Cisco claims copy its intellectual property.

Cisco is seeking a preliminary and permanent injunction prohibiting Huawei from selling or distributing versions of its Quidway routers and servers, as well as unspecified financial damages.

"We value strong competition, but copying isn't competition," Mark Chandler, Cisco vice president and general counsel, told Reuters. "We have a responsibility to protect our product and materials from unlawful copying and to make sure there's a level playing field for fair competition."

Before filing the lawsuit, Cisco made numerous attempts for more than a month to resolve the dispute after customers began questioning Cisco about the similarity of the companies' products and manuals, he said in a telephone interview.

When asked earlier this month how Cisco would deal with Huawei, Chief Executive John Chambers said his company would rely on the Chinese government and the World Trade Organization to protect its rights.

Cisco has discussed the issue with China's government. Chandler said. "We have every reason to anticipate that the Chinese government is going to be supportive of international standards related to intellectual property protection," he said.

While Huawei and other low-cost competitors do not pose a serious threat to Cisco at this point, they will inevitably squeeze Cisco's profit margins in its meat-and-potatoes businesses of switches and routers, analysts have said. Those products account for 80 percent of Cisco's sales and profits.

A router is a machine that connects two computer networks for the transmission of data and information, while a switch simply directs traffic on a network.

Founded in 1988 by a former officer in the People's Liberation Army, Huawei has said it expects 2002 sales to rise almost 25 percent to \$3 billion, thanks partly to growing exports outside of Asia. It had sales in 2001 of \$2.41 billion, on which it earned \$578 million.

While most of Huawei's sales are in the telecom sector, it wants to boost its corporate business, where Cisco is king, and its strategy is to sell its switches for as much as 50 percent less than Cisco's, analysts have said.

Cisco said it filed the lawsuit in eastern Texas because Huawei's U.S. operations are based in the Dallas area. Huawei subsidiaries Huawei America Inc. and Futurewei Technologies Inc. also were named.

**ABC News.com**

**Cisco Sues China Co. in Patent Dispute**

**Cisco Systems Sues China-Based Company in Patent, Copyright Dispute**

*The Associated Press*

SAN JOSE, Calif. Jan. 23 — Cisco Systems Inc. on Thursday sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The lawsuit, filed at the U.S. District Court in Mashall, Texas, claims Huawei Technologies Co. Ltd and two U.S.-based subsidiaries copied Cisco's operating system source code, technical documentation and an interface. Cisco also claims at least five patents were infringed.

"Cisco does not take any legal action lightly," said Mark Chandler, Cisco's general counsel. "However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues."

Phone messages left at Huawei's U.S. offices in Plano, Texas were not immediately returned. A security guard who answered the phone after hours at Huawei's headquarters in Shenzhen, China, said no one was available to comment.

The infringement, according to the lawsuit, ranged from the verbatim copying of Cisco technical documentation to programming code, including sections that were used by Cisco for testing but are nonfunctional in the final products.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents. The San Jose-based company also is seeking unspecified damages.

Chandler also said Cisco has held discussions with Chinese officials about the claims.

"We believe the Chinese government is as concerned as we are," he said. "We found them to be very respectful."

Shares of Cisco rose 22 cents to \$14.18 in morning trading on the Nasdaq Stock Market.

**BusinessWeek Online**  
**(From Cnet News.com)**

**January 23, 2003**

Cisco Systems has filed a lawsuit against Huawei Technologies, claiming the Chinese telecommunications equipment maker infringed on its patents and illegally copied source code.

Cisco Systems has filed a lawsuit against Huawei Technologies, claiming the Chinese telecommunications equipment maker infringed on its patents and illegally copied source code.

Huawei, based in Shenzhen, China, has a wide reach in Asia, and recently entered the U.S. market, challenging Cisco on the pricing front.

Cisco's suit, filed in U.S. District Court for the Eastern District of Texas, alleges that Huawei violated at least five Cisco patents and copied Cisco's Internetwork Operating System (IOS) source code, using it in the operating system for its Quidway routers and switches. Huawei's system contains text strings, file names and bugs identical to Cisco's source code, the company claims.

Cisco also alleges that Huawei copied its technical documents, including user manuals, its command line interface and its screen displays.

Representatives of Huawei and its Futurewei Technologies subsidiary could not be reached for comment.

"As a result of extensive copying of the Cisco (command line interface), defendants can promote their Quidway routers, switches and products that use (Huawei's interface) by convincing Cisco customers that they will not have to learn a new command line interface if they purchase the defendants' products," the complaint states.

Cisco is asking the court for preliminary and permanent injunctions to prohibit Huawei from using or selling the products in question. Cisco is seeking damages as well. Cisco said it also served a cease-and-desist letter to Spot Distribution in the United Kingdom. Spot is distributing Huawei products that Cisco claims copy its intellectual property.

## **SEATTLE POST-INTELLIGENCER**

**Thursday, January 23, 2003**

### **Cisco Sues China Co. in Patent Dispute THE ASSOCIATED PRESS**

SAN JOSE, Calif. -- Cisco Systems Inc. on Thursday sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The lawsuit, filed at the U.S. District Court in Mashall, Texas, claims Huawei Technologies Co. Ltd and two U.S.-based subsidiaries copied Cisco's operating system source code, technical documentation and an interface. Cisco also claims at least five patents were infringed.

"Cisco does not take any legal action lightly," said Mark Chandler, Cisco's general counsel. "However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues."

Phone messages left at Huawei's U.S. offices in Plano, Texas were not immediately returned. A security guard who answered the phone after hours at Huawei's headquarters in Shenzhen, China, said no one was available to comment.

The infringement, according to the lawsuit, ranged from the verbatim copying of Cisco technical documentation to programming code, including sections that were used by Cisco for testing but are nonfunctional in the final products.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents. The San Jose-based company also is seeking unspecified damages.

Chandler also said Cisco has held discussions with Chinese officials about the claims.

"We believe the Chinese government is as concerned as we are," he said. "We found them to be very respectful."

Shares of Cisco rose 22 cents to \$14.18 in morning trading on the Nasdaq Stock Market.

## **NetworkWorld**

### **Cisco sues Huawei over intellectual property**

**By Jim Duffy**  
**01/23/03**

Cisco Thursday announced it has filed a lawsuit against Chinese network equipment maker Huawei Technologies and its subsidiaries, claiming unlawful copying of Cisco's intellectual property.

Huawei has emerged recently as a significant low-cost competitor to Cisco. Cisco CEO John Chambers was asked recently about the possibility of Huawei violating Cisco's intellectual property rights, to which he responded that he had confidence that the Chinese government and World Trade Organization would "do the right thing" to prevent or stop unfair business practices.

Today, Cisco took the offensive. Its suit, filed in the U.S. District Court for the Eastern District of Texas, alleges that Huawei unlawfully copied and misappropriated Cisco's IOS software, including source code, copied Cisco documentation and other copyrighted materials, and infringed numerous Cisco patents.

Cisco seeks remedies to prohibit the continued misappropriation of its intellectual property by Huawei and recover damages resulting from Huawei's "illegal" actions, the company says. Cisco also served a cease-and-desist letter on Spot Distribution, a Huawei



distributor located in the United Kingdom, for distributing Huawei products that copy Cisco's intellectual property.

"Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues," said Mark Chandler, vice president and general counsel for Cisco, in a statement. "As a result, Cisco has no choice but to protect its technology and the interests of its shareholders through legal action."

Huawei did not immediately respond to inquiries seeking comment.

Cisco alleges that Huawei copied portions of the Cisco IOS source code and included the technology in its operating system for its Quidway routers and switches. Huawei's operating system contains a number of text strings, file names, and bugs that are identical to those found in Cisco's IOS source code, Cisco alleges.

Cisco also claims that Huawei copied extensively from Cisco's copyrighted technical documentation and included whole portions of Cisco's text in Huawei's user manuals for Quidway routers and switches.

In addition, Cisco charges that Huawei copied Cisco's command line interface (CLI) and corresponding screen displays. "Extensive" portions of Cisco's CLI and help screens appear verbatim in Huawei's operating system for its Quidway routers and switches, Cisco asserts.

Lastly, Cisco charges that Huawei is infringing at least five Cisco patents related to proprietary routing protocols and has included these technologies in its Quidway routers and switches.

Cisco is seeking a preliminary and permanent injunction prohibiting Huawei from using, selling, marketing or distributing versions of their Quidway routers and switches that infringe Cisco's intellectual property. Cisco also is seeking monetary damages as

compensation for Huawei's misappropriation of Cisco's intellectual property.

All contents copyright 1995-2002 Network World, Inc. <http://www.nwfusion.com>

## **Lightreading**

Marguerite Reardon, Senior Editor, Light Reading

## **Light Reading**

**Cisco/Huawei Brawl Begins**  
**Marguerite Reardon, Senior Editor**



It's the fight you've been waiting for: Cisco Systems Inc. (Nasdaq: CSCO message board) is bringing out its big guns in the battle against a Chinese manufacturer that has been mass-producing low-cost competitors of its routers and switches.

Today, the company announced it has filed a lawsuit against Huawei Technologies Co. Ltd. and its subsidiaries, Huawei America Inc. and FutureWei, for allegedly stealing and copying Cisco's intellectual property and infringing its patents (see Cisco Sues Huawei ). Cisco's suit has been filed in federal court with the United States District Court for the Eastern District of Texas.

In the complaint, Cisco alleges that Huawei unlawfully copied and used Cisco's IOS software, Cisco documentation, and other copyrighted materials, and infringed at least five Cisco patents. Cisco is asking the court for an injunction to prohibit Huawei and its subsidiaries from selling, marketing, or distributing versions of its 'Cisco cloned' routers and switches. The company is also seeking monetary damages and has already sent a cease-and-desist letter to Spot Distribution, a Huawei distributor located in the U.K.

Hawei and its FutureWei subsidiary have been a growing threat to Cisco since they entered the U.S. market last summer, and the lawsuit has been anticipated (see Has Huawei Got Cisco's Number? ). Huawei, which generates about \$3 billion in revenue per year, primarily from telecom voice equipment, has been selling products that are nearly identical in functionality and appearance to Cisco's. With 33 offices in China it sells to some of the largest providers in Asia, including China Telecommunications Corp. (NYSE: CHA - message board), China Mobile Communications Corp., China Unicom Ltd., China Netcom Corp. Ltd., KT Corp., SingTel, Hutchinson Global Crossing, and Telemar. Most of these are also Cisco customers.

"It's not illegal to reverse engineer something, but it is illegal to copy," says Stephen Kamman, an analyst with CIBC World Markets. "That has always been the big question with Huawei. It looks like Cisco has probably found some kind of 'smoking gun' that would suggest they are doing something illegal."

Indeed, reading through Cisco's complaint it seems as though the company believes it has found several smoking guns. For one, Cisco claims that Huawei's operating system in its Quidway switches and routers contains a number of text strings, file names, and bugs that are identical to those found in Cisco's IOS source code. Cisco also says that Huawei has copied technical documentation and included whole portions of Cisco's text in its own user manuals. And finally, Cisco says that portions of its CLI (command line interface) and help screens appear verbatim in Huawei's operating system for its Quidway routers and switches.

"For investors, the key is whether Cisco can get an injunction against Huawei selling the gear," says Kamman in a research note published today. "This would hurt Huawei's efforts to sell outside China. Regardless, we would expect the lawsuit against the UK distributor will leave other distributors wary of selling Huawei products."

Patent attorneys in Texas say that because Cisco has filed the case in the Eastern District of Texas, which has become known for speedy handling of patent and intellectual property infringement cases, it should be able to get an injunction relatively quickly.

“You can get a real ‘rocket docket’ in the Eastern District of Texas,” says Patrick McGowan a partner at Aikin Gump Strauss Hauer & Feld and chair of the intellectual property section of the Dallas Bar Association. “Cases usually move through the Eastern District pretty fast, and people often view it as a patent-holder-friendly court with sympathetic juries and good judges.”

If Cisco successfully shuts down Huawei’s operation in the U.S., it may still have more battles ahead in other countries. Because patents are filed country-by-country, Cisco would have to take legal action overseas to completely protect its intellectual property.

“Most companies don’t want to go to court in a foreign country,” says Mark Perdue, a partner at the The Zisman Law Firm in Dallas. “It’s an unfamiliar legal system, and there is a real fear of being treated poorly or unfairly because you’re not a citizen of that country.”

Still, U.S. companies that are vigilant about protecting their rights have sued overseas before and won. Texas Instruments Inc. (NYSE: TXN - message board), which has been the most sophisticated enforcer of intellectual property rights in the world, according to Perdue, has sued several Japanese competitors over patent infringement in both the U.S. and Japan.

But Perdue admits that China is different. For one, the Chinese intellectual property law is still somewhat undeveloped. And in order for Cisco to enforce a patent in China, it must hold a Chinese patent on the technology.

“A U.S. patent is only good in the United States,” says McGowan. “So if they’re making and selling the gear in China, it may be perfectly legal.”

Cisco says it is willing to defend its intellectual property rights throughout the world. And because much of this case has to do with copyrighted material, which is enforced worldwide, it will likely be able to enforce those rights overseas.

“This dispute is about the copying of Cisco's Intellectual Property by Huawei,” said Mark Chandler, Cisco vice president and general counsel in an email today. “It is not primarily about patents. Cisco will have the ability to enforce its copyrights on its IOS software and other materials on a global basis, including in China.”

While Chandler says the company is also prepared to go after distributors of Huawei gear as well, he says that the company hopes that this is the only legal action it will be forced to take.

Huawei representatives in the U.S. refused to answer questions, and those in China were unavailable for comment.

#### **Miami Herald Tribune**

**Posted on Thu, Jan. 23, 2003**

#### **Cisco Sues China Co. in Patent Dispute Associated Press**

SAN JOSE, Calif. - Cisco Systems Inc. on Thursday sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The lawsuit, filed at the U.S. District Court in Mashall, Texas, claims Huawei Technologies Co. Ltd and two U.S.-based subsidiaries copied Cisco's operating system source code, technical documentation and an interface. Cisco also claims at least five patents were infringed.

"Cisco does not take any legal action lightly," said Mark Chandler, Cisco's general counsel. "However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues."

Phone messages left at Huawei's U.S. offices in Plano, Texas were not immediately returned. A security guard who answered the phone after hours at Huawei's headquarters in Shenzhen, China, said no one was available to comment.

The infringement, according to the lawsuit, ranged from the verbatim copying of Cisco technical documentation to programming code, including sections that were used by Cisco for testing but are nonfunctional in the final products.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents. The San Jose-based company also is seeking unspecified damages.

Chandler also said Cisco has held discussions with Chinese officials about the claims.

"We believe the Chinese government is as concerned as we are," he said. "We found them to be very respectful."

Shares of Cisco rose 22 cents to \$14.18 in morning trading on the Nasdaq Stock Market.

#### **Business Times Daily**

**Cisco sues China-based company in patent, copyright dispute**

**The Associated Press**

**January 23, 2003 12:13PM**

-- Cisco Systems today sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The San Jose-based company filed the suit in federal court in Texas. Huawei's U.S. offices are in Plano, Texas.

Cisco claims Huawei (WHA' way) Technologies and two U.S.-based subsidiaries copied Cisco's operating system source code and other technological secrets.

Cisco also claims at least five patents were infringed.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents.

**Electronic Business Daily**

**Cisco Begins Legal War with Huawei Online staff -- 1/23/2003**

**Electronic News**

The simmering battle between Cisco Systems Inc. and its once darling company Huawei Technologies Co. Ltd. has boiled over into a full-scale war.

Cisco today announced it has filed a lawsuit against Huawei and its subsidiaries, Huawei America Inc. and FutureWei Technologies Inc., over what it alleged is Huawei's unlawful copying of its IP. Cisco's suit, filed in the United States District Court for the Eastern District of Texas, claims that Huawei unlawfully copied and misappropriated Cisco's IOS software, including source code, copied Cisco documentation and other copyrighted materials, and infringed numerous Cisco patents.

The bitter rivalry began to heat up last year when Huawei, a top player among China's telcom and datacom equipment suppliers, began to ship overseas and pose a treat to Cisco's market share.

Cisco now seeks to prohibit what it said was continued misappropriation of its IP by Huawei and recover damages resulting from Huawei's illegal actions. Cisco also has served a cease and desist letter on Spot Distribution, a Huawei distributor located in the U.K., for distributing Huawei products it said copy Cisco IP.

"Cisco's technological leadership is the result of significant investment in research and development, and it is Cisco's responsibility to protect its intellectual property," said

Mark Chandler, Cisco VP and general counsel, in a statement. "Cisco does not take any legal action lightly. However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues. As a result, Cisco has no choice but to protect its technology and the interests of its shareholders through legal action."

Cisco is seeking a preliminary and permanent injunction prohibiting Huawei from using, selling, marketing or distributing versions of its Quidway routers and switches that Cisco claimed infringe its IP, as well as monetary damages.

Huawei could not be reached for comment.

### **Contra Costa Times**

**Posted on Jan. 23, 2003**

#### **Cisco sues China-based company in patent, copyright dispute Associated Press**

**San Jose** - -- Cisco Systems today sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The San Jose-based company filed the suit in federal court in Texas. Huawei's U.S. offices are in Plano, Texas.

Cisco claims Huawei (WHA' way) Technologies and two U.S.-based subsidiaries copied Cisco's operating system source code and other technological secrets.

Cisco also claims at least five patents were infringed.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents.

### **Semiconductor Business News**

#### **Cisco's suit raises more IP concerns in China January 23, 2003**

SAN JOSE--Raising more fears about the possible abuse of intellectual property (IP) rights in China, Cisco Systems Inc. here filed a suit against Chinese networking giant Huawei Technologies Co. Ltd. and its subsidiaries over alleged copyright violations.

The suit underscores a growing concern among U.S. hi-tech companies over IP issues in China. Last month, for example, a U.S. federal court indicted two former employees from

Transmeta Corp. for allegedly stealing trade secrets in the microprocessor field (see Dec. 5, 2002 story).

Cisco's suit, filed in the United States District Court for the Eastern District of Texas, alleges that Huawei unlawfully copied and misappropriated Cisco's IOS software, including source code, documentation and other copyrighted materials.

The San Jose-based company also claims Huawei infringed on numerous Cisco patents. Cisco seeks remedies to prohibit the continued misappropriation of its IP by Huawei and recover damages resulting from Huawei's illegal actions.

Cisco also served a cease and desist letter on Spot Distribution, a Huawei distributor located in the United Kingdom, for distributing Huawei products that copy Cisco's intellectual property.

"Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues. As a result, Cisco has no choice but to protect its technology and the interests of its shareholders through legal action," said Mark Chandler, vice president and general counsel of Cisco, in a statement.

#### **Computer Reseller News**

##### **Cisco Sues Huawei In Patent, Copyright Dispute**

**AP**

**11:26 AM EST Thurs., Jan. 23, 2003**

Cisco Systems on Thursday sued one of China's largest makers of telecommunications equipment for allegedly copying proprietary aspects of Cisco routers and switches without permission.

The lawsuit, filed at the U.S. District Court in Marshall, Texas, claims Huawei Technologies and two U.S.-based subsidiaries copied Cisco's operating system source code, technical documentation and an interface. Cisco also claims at least five patents were infringed.

"Cisco does not take any legal action lightly," said Mark Chandler, Cisco's general counsel. "However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues."

Phone messages left at Huawei's U.S. offices in Plano, Texas, were not immediately returned. A security guard who answered the phone after hours at Huawei's headquarters in Shenzhen, China, said no one was available to comment.

The infringement, according to the lawsuit, ranged from the verbatim copying of Cisco technical documentation to programming code, including sections that were used by Cisco for testing but are nonfunctional in the final products.

Cisco wants the court to bar Huawei from using, selling, marketing or distributing Quidway routers and switches that infringe on Cisco's copyrights and patents. The San Jose-based company also is seeking unspecified damages.

Chandler also said Cisco has held discussions with Chinese officials about the claims. "We believe the Chinese government is as concerned as we are," he said. "We found them to be very respectful."

Meanwhile, shares of Cisco rose 22 cents to \$14.18 in morning trading on the Nasdaq Stock Market.

#### **Sacramento Business Journal**

**January 23, 2003**

#### **Cisco suing Chinese firm**

Cisco Systems Inc. (Nasdaq: CSCO) is suing a Chinese company, alleging unlawful copying of intellectual property.

Cisco's suit, filed in U.S. District Court for the eastern district of Texas, alleges that Huawei Technologies Co. Ltd. of Shenzhen, China illegally copied Cisco's software, including source code and other copyrighted materials and infringed on several patents.

Cisco, the San Jose-based maker of equipment used to link computer networks, is seeking a court order to stop Huawei from distributing certain products. Cisco also wants to recover unspecified monetary damages.

"Cisco does not take any legal action lightly," said Mark Chandler, Cisco vice president and general counsel. on Thursday. "However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues."

A Huawei representative could not be contacted.

Huawei, founded in 1988, is China's largest manufacturer of telecommunications equipment. The company makes optical networking systems, wireless transmission products and corporate data equipment. The company reported \$3.1 billion in sales in 2001.

**Asia.internet.com**

#### **Cisco Files Patent Suit Against Huawei**



By Michael Singer

Cisco Systems (NASDAQ:CSCO) Thursday filed a patent infringement lawsuit claiming China's largest telecommunications equipment maker illegally copied parts of its switches and routers.

Filed in the United States District Court for the Eastern District of Texas, the lawsuit centers on Huawei Technologies, Co., LTD and its subsidiaries, Huawei America, Inc. and FutureWei Technologies, Inc.

Cisco says Huawei's Quidway product line infringes on Cisco's IOS software, including source code, copied Cisco documentation and other copyrighted materials, and numerous Cisco patents. The San Jose, Calif.-based computer-networking equipment maker is seeking monetary damages as well as a preliminary and permanent injunction against Huawei's products.

The company also served a cease and desist letter on Spot Distribution, a Huawei distributor located in the United Kingdom, for distributing Huawei products.

"Cisco does not take any legal action lightly. However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues. As a result, Cisco has no choice but to protect its technology and the interests of its shareholders through legal action," Cisco VP and general counsel Mark Chandler issued in a statement.

Company representatives with Huawei were not immediately available for comment.

Specifically, Cisco is claiming Huawei has copied portions of the Cisco IOS source code and included the technology in its operating system for its Quidway routers and switches. Cisco says Huawei's operating system contains a number of text strings, file names, and bugs that are identical to those found in Cisco's IOS source code.

Cisco also says Huawei copied Cisco's Command Line Interface (CLI) and corresponding screen displays. The company says Cisco's CLI and help screens appear verbatim in Huawei's operating system for its Quidway routers and switches.

Huawei is also being accused of infringing at least five Cisco patents related to proprietary routing protocols.

As part of its overall strategy Huawei primarily serves such Asian carriers as China Telecom, China Unicom, and SingTel. Currently, Huawei has product joint ventures with manufacturers in Russia and Japan and a distribution deal with IBM (NYSE:IBM). Last year, Huawei established a new R&D center in Bangalore.

### **Broadcast Coverage**

Subject: Chris Crespi



Program: Closing Bell  
Airdate: January 23, 2003  
Station: CNBC  
Format: Real Media  
<http://showroom.multivisioninc.com/share.php?id=711&key=eFMtDyMBWdqYrzPdm3i5YAW0w5RIJ7ft&user=mbragg@cisco.com>

Subject: Cisco Systems Sues Huawei  
Program: Morning Call  
Airdate: January 23, 2003  
Station: CNBC  
Format: Real Media  
<http://showroom.multivisioninc.com/share.php?id=707&key=7rY913BCf730u3x8sDT9d58X9H8HJi79&user=mbragg@cisco.com>

Subject: Cisco Systems Suing China Based Huawei  
Program: Squawk Box  
Airdate: January 23, 2003  
Station: CNBC  
Format: Real Media  
<http://showroom.multivisioninc.com/share.php?id=708&key=ZxVwY44dE55yC3FZ4v7ts91433x2mIf8&user=mbragg@cisco.com>

United States District Court  
Northern District of California

π PLAINTIFF π

Case No. 14-cv-05344-BLF

Case Title Cisco Systems v. Arista Networks

Exhibit No. 4424

Date Entered \_\_\_\_\_

Richard W. Wieking, Clerk

By: \_\_\_\_\_, Deputy Clerk